

EXHIBIT "A"**Analysis of Unencumbered Proceeds Available for Claims**

	<u>Low</u>	<u>High</u>
Section A - Cash Available		
20% of proceeds from sale of registrations	504,000	504,000
TRI Settlement	625,000	625,000
Avoidance Action Proceeds:		
Actual receipts through 101/03	600,000	600,000
Proceeds to be received ²	600,000	1,000,000
Sub-total Avoidance Proceeds	1,200,000	1,600,000
Cost of Avoidance Process	(500,000)	(700,000)
50% of <u>net</u> amount recovered over \$1 million due to Lenders	0	0
Total Unencumbered Avoidance proceeds	700,000	900,000
Total Estimated Unencumbered Proceeds Available	1,829,000	2,029,000
Section B - Claims to be Paid		
Cost of Claim Objections, Plan Confirmation and Distribution	(250,000)	(250,000)
Administrative claims ³	(31,771,000)	(250,000)
Cash available for Priority Claims	-	1,529,000
Priority Claims	(4,793,000)	(1,061,000)
Cash available for unsecured claims		468,000
Estimated Unsecured Claims ⁴	147,209,000	88,917,500 ⁵
Estimated Payout % to Unsecured Claims	0.00%	%

² Estimate based on preference claims experience to date.

³ This number includes a \$200,000 EPA payment.

⁴ These amounts do not include claims totaling \$423 million filed against the Debtors by the plaintiffs in the Bogalusa Actions, which were filed for precautionary purposes pending the approval of the Bogalusa Settlement by the State Courts in which the Bogalusa Actions were commenced. Upon such approval, these claims will be withdrawn.

⁵ This amount is based on the Debtors' financial statements and books and records. No analysis of the filed Unsecured Claims has been performed. Additionally, this amount includes the Lenders Claims of approximately \$54,509,000 which the Debtors believe at this time constitutes an unsecured deficiency claim subject to reduction by any additional amounts received by the Lenders from the proceeds of Avoidance Actions. Banks will be requested to forego distribution until 1% is paid to the other Class members.

Following up on our meeting of November 10, 2003, I reviewed the file and revised Exhibit "A". As revised, Exhibit "A" reflects the Debtors' current best analysis/guestimate regarding the sources and uses of funds which will be available to fund a liquidating plan of reorganization which provides for forbearance by the banks, and a 1% distribution to be made to general unsecured creditors.

Please note that revised Exhibit A assumes that when the objections process is concluded, the Allowed Administrative Expense Claims will total approximately \$251 thousand, and the Allowed Priority Claims will total approximately \$1.061 million. The particulars with regard to those amounts are as follows:

Administrative Expense Claims

BSFS Equipment Leasing	\$3,250
General Electric Credit	11,322
Tennessee Department of Labor	156
Dow Chemical	36,900
U.S. Environmental Protection Agency	<u>200,000</u>
	\$251,628 ¹

Priority Claims

IRS	\$9,123
IRS	10,205
Mississippi	12,129
Texas	7,330
California	1,075
Florida	567
Louisiana	15,071
Mississippi	18,169
New York	267
Arkansas (R/E)	302,104
Mississippi (R/E)	684,412
Miscellaneous	<u>1,000</u>
	\$1,061,452

¹ Settlements with ADEQ and MDEQ attendant to the real property/plant abandonments have been paid in full.